

Message Text

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PAGE 01 MANAGU 00226 162108Z

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ACTION COA-01

INFO OCT-01 ARA-06 ISO-00 COME-00 CG-00 PRS-01 FBIE-00

SSO-00 AID-05 L-02 EB-07 SCA-01 H-01 INR-07 DLOS-03

DOT-00 SCS-03 INRE-00 /038 W
----- 057859

O 162030Z JAN 75

FM AMEMBASSY MANAGUA

TO SECSTATE WASHDC IMMEDIATE 6020

INFO AMEMBASSY MEXICO IMMEDIATE

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MEXICO FOR LEGATT CAMMAROTA

E. O. 11652: N/A

TAGS: CPRS, NU

SUBJECT: RELEASE OF VESSEL SEAWOLF - REGISTRY NO. 547248.

REF: MEXICO 259 AND CDR CG DIST ELEVEN LONG BEACH CA DTG
150002Z JAN 75 (NOTAL)

1. FOR DEPARTMENT'S INFORMATION AND APPROPRIATE ACTION THE FOLLOWING
CHRONOLOGY OF EVENTS REGARDING THE U.S. REGISTERED VESSEL SEAWOLF
IS FORWARDED.

2. AS FAR AS THE EMBASSY HAS BEEN ABLE TO RECONSTRUCT THIS SITUATION,
THE SEAWOLF IS OWNED BY MONEY MACHINES INCORPORATED OF TUSTIN,
CALIFORNIA. IT IS A 98 FOOT YACHT, AND THERE IS AN INDICATION THAT A
FIRST MORTGAGE IS HELD ON THIS BOAT BY THE GENERAL ELECTRIC CREDIT
CORP.

3. AN INDIVIDUAL IDENTIFYING HIMSELF AS COLONE GRAY IS IN
NICARAGUA SUPPOSEDLY REPRESENTING THE GENERAL ELECTRIC CREDIT
CORP, AND A MR. JOHN R. LEFFERDINCK, SECRETARY OF MONEY MACHINES
INC., AN

APPARENTLY SON OF MR. ALAN J. LEFFERDINCK, CHAIRMAN OF
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PAGE 02 MANAGU 00226 162108Z

THE BOARD OF MONEY MACHINES IS ALSO HERE.

4. THE SEAWOLF, ACCORDING TO THE INFORMATION PRESENTLY AVAILABLE WAS TAKEN FROM ACUPULCO, MEXICO, BY A MR. JOHN O'TOOLE, WHO ALLEGED THAT HE HAD PURCHASED THE VESSEL FROM MR. LEFFERDINCK, BUT WHO IS APPARENTLY CARRYING ON A MAJOR FUED WITH LEFFERDINCK. O'TOOLE, WE ARE INFORMED, IS A CITIZEN OF NEW ZEALAND. THE VESSEL WAS BROUGHT APPARENTLY BY O'TOOLE TO CORINTO IN NICARAGUA. LEFFERDINCK AND GENERAL ELECTRIC CREDIT CORP. LEARNED OF THE FACT THAT IT WAS HERE AND SENT JOHN LEFFERDINCK AND COLONEL GRAY DOWN TO RETRIEVE THE VESSEL. IN THE MEANTIME, AGAIN, ACCORDING TO THE INFORMATION WE HAVE BEEN ABLE TO RECONSTRUCT, THE SEAWOLF WAS "STOLEN" BY O'TOOLE AND SAILED OUT OF CORINTO HARBOR. THE NICARAGUAN COAST GUARD WAS NOTIFIED AND THE VESSEL WAS RECAPTURED AND RETURNED TO CORINTO AND O'TOOLE IS PRESENTLY IN JAIL.

5. COLONEL GRAY REPRESENTING GENERAL ELECTRIC CREDIT CORP CAME TO THE EMBASSY REQUESTING ASSISTANCE IN OBTAINING THE IMMEDIATE RELEASE OF THE VESSEL IN ORDER THAT IT MIGHT BE SAILED BACK TO THE UNITED STATE . IN ORDER TO ATTEMPT TO VERIFY THE RECORDS PRESENTED TO THE EMBASSY, A TELEPHONE CALL WAS PLACED TO REAR ADMIRAL STEELE, COMMANDING OFFICER OF THE 11TH COAST GUARD DISTRICT IN LOS ANGELES, AND HE CONFIRMED BY CABLE THAT THE SEAWOLF, REG. #547248 WAS OWNED BY MONEY MACHINES INCORP. AND CARRIED A FIRST MORTGAGE BY GENERAL ELECTRIC CREDIT CORP. ADMIRAL STEELS ALSO STATED IN HIS TELEGRAM THAT THE CHAIRMAN OF THE BOARD OF MONEY MACHINES HAD ADVISED THAT JOHN LEFFERDINCK IS AUTHORIZED TO RE-ACQUIRE POSSESSION OF THE SEAWOLF.

6. THE SEAWOLF IS PRESENTLY IN THE CUSTODY OF THE MINISTRY OF DEFENSE OF THE GOVERNMENT OF NICARAGUA, AND DISCUSSIONS HAVE BEEN HELD WITH THE MINISTER OF DEFENSE AND WITH PRESIDENT SOMOZA TO DETERMINE WHAT DOCUMENTATION IS REQUIRED TO OBTAIN THE RELEASE OF THE VESSEL. IN THE MEANTIME, THE GENERAL ELECTRIC CREDIT CORP. HAS OBTAINED A BOND FROM A BONDING COMPANY IN THE AMOUNT OF \$400,000 TO COVER THE MIS-DELIVERY OR ADDITIONAL CLAIMS AGAINST THE VESSEL. THE BOND IS MADE OUT IN FAVOR OF THE MINISTRY OF DEFENSE OF THE GON. THE DECISION OF THE GON IS, HOWEVER, THAT IN VIEW OF THE COMPLEX AND COMPLICATED CLAIMS AND COUNTER-CLAIMS OF OWNERSHIP WHICH ARE APPARENTLY INVOLVED IN CONNECTION WITH THIS VESSEL THAT THEY DESIRE FORMAL LEGAL ACTION BY THE OWNERS THROUGH THE UNITED STATES JUDICIAL OFFICIAL USE

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PAGE 03 MANAGU 00226 162108Z

CIARY SYSTEM AND THE DEPARTMENT OF STATE IN WASHINGTON, WITH US GOVERNMENT INSTRUCTIONS TO BE GIVEN TO THE NICARAGUAN EMBASSY FOR TRANSMITTAL TO THE GON IN ORDER THAT APPROPRIATE LEGAL ACTIONS MAY BE TAKEN BY THE NICARAGUAN GOVERNMENT, IN ORDER TO AVOID THE NICARAGUAN GOVERNMENT NOT BEING INVOLVED IN POTENTIAL LAW SUITS, CLAIMS, OR COUNTER-CLAIMS REGARDING THIS VESSEL.

7. BOTH LEFFERDINCK AND GENERAL ELECTRIC CREDIT CORP. HAVE INDICATED

THEIR DISTASTE FOR PROCEEDING THROUGH THESE LEGAL CHANNELS AND HAVE EMPHASIZED THE URGENCY OF THE IMMEDIATE DELIVERY OF THE VESSEL. THE EMBASSY IS NOT IN A POSITION TO PURSUE THIS MATTER ON AN INFORMAL BASIS IN VIEW OF THE COMPLEXITIES OF THE SITUATION AND THE VERY CONSIDERABLE AMOUNT OF MONEY INVOLVED IN THE VESSEL (APPROXIMATELY \$700,000). THE REPRESENTATIVE OF THE GENERAL ELECTRIC CREDIT CORP. IS THREATENING TO BRING VARIOUS PRESS AND POLITICAL PRESSURE ON THE NICARAGUAN GOVERNMENT FOR WHAT IT ALLEGES IS GON INSISTENCE IN UNREASONABLE LEGAL PROCEDURES.

8. THE MATTER HAS BEEN DISCUSSED WITH THE AID LEGAL OFFICER (MEIGHAN) AND IT IS THE GENERAL CONSENSUS OF THE EMBASSY THAT IN VIEW OF THE COMPLEXITY OF THE MATTER THAT THE OWNERS OF THE VESSEL AND THE GENERAL ELECTRIC CREDIT CORP. SHOULD PROCEED THROUGH U.S. GOVERNMENT JUDICIAL AND DIPLOMATIC CHANNELS AS REQUESTED BY THE GON.

9. THE EMBASSY IS BEING AS HELPFUL AS POSSIBLE IN THIS VERY COM-

PLICATED SITUATION AND WOULD APPRECIATE ANY ADVISE OR INSTRUCTIONS THAT THE DEPARTMENT CAN GIVE.
SHELTON

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